# INFORMATION LETTER

Not for Publication — **NATIONAL CANNERS ASSOCIATION** — For Members Only

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## PERMANENT ASSOCIATION PLANNING COMMITTEE IS NAMED

### To Meet in Washington Monthly and Be Available for Consultation

The Board of Directors, at the second session of its mid-year annual meeting in Washington on May 26 (the first session was reported in last week's INFORMATION LETTER), authorized the appointment of a permanent Planning Committee, representing the Association. This Committee, membership of which is given below, is to meet monthly in Washington, to keep informed on the development of governmental programs, and to be available for consultation and advice.

The Board also approved the action of the Canning Industry Advisory Committee in opposing the compulsory use of A.M.A grades in the price control program; received and discussed reports of the Planning Committee and Legislative Committee; approved the final budget for operations of the Association in 1944; and heard addresses by William E. Vaughn, Consultant in the Office of the Quartermaster General; Brig. General Carl A. Hardigg, Office of the Quartermaster General; Col. C. S. Urwiller, Assistant Director, Prisoners of War Division, Office of Provost Marshal General; and George W. Hill, Chief, Program Branch, Office of Labor, War Food Administration.

### Special Packaging Requirements

Mr. Vaughn explained to the Directors the necessity for the special packaging required by the government agencies which buy canned foods for the armed forces, stating that the procurement branches have never asked for special packaging unless it was essential. The packaging changes with which the industry is now faced, he said, "are deemed to be absolutely necessary to assure reaching their destination in usable condition." Following are other excerpts from Mr. Vaughn's address:

"Large size cans are entirely satisfactory where large bodies of men are being fed. As the groups decrease in size—and in combat the individual units tend to become smaller and smaller—the large size cans are unsatisfactory. No. 2 cans of certain items are purchased for special rations such as the Ten-in-One Ration and in the instance of juices, especially for overseas resale.

"The best type of tinplate should be made available for military use, considering the extremes to which the container is subjected in transit and storage. In the interest of tin conservation, the military agencies are willing to accept the substitute plates on some canned foods. However they do not feel that they can accept for overseas use, plates on which there is no tin coating.

"As to labels, there is definite evidence that the label, in areas where the humidity was very high, acted as a blotter in holding moisture against the surface of the can, with rusting and perforation of the cans resulting. The decision on the part of the Army to accept cans without labels was an attempt to rectify this condition. In doing this, however, it was necessary that the cans be properly marked to identify contents. While embossing of the can covers has been used for many years to identify can contents, it is difficult to emboss the cans in a legible manner without fracturing the tinplate and in-

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## No Announcement on AMA Grades or 1944 Prices

The expected announcement of the decision of the Office of Price Administration as to whether AMA grades would be required in the pricing program for 1944 had not been made at the time the INFORMATION LETTER went to press. The subcommittee of the Canning Industry Advisory Committee on Fruits and Vegetables met with OPA officials on May 30 to discuss the subject.

The Advisory Committeee on Tree Fruits conferred with the War Food Administration on Saturday, May 27. The Advisory Committee on Spinach met with OPA officials on Monday and the Asparagus Committee on Tuesday. Prices for none of these products have yet been issued.

The decision of the War Food Administration as to the payment of subsidies has not been issued pending further consideration.

## USE OF TRANSPORTED WORKERS IN CANNERIES

### Policy Bulletin Issued by WFA Office of Labor Presents Details of Procedure

The Office of Labor of the War Food Administration has issued a policy and procedure bulletin covering the use in food processing plants of agricultural workers transported under the WFA labor program. The most important part of this policy provides that these workers—Bahamians, Mexicans, Jamaicans, etc.—may be used at time of crisis in canning plants for a period of three days upon certification of local United States Employment Services and State Extension officials, without reference to Washington. There are details of procedure which must be complied with. Copies of the Policy and Procedure Statement are being supplied to State Secretaries by the Association. The most important parts are summarized herewith.

Public Law 229 states "When authorized by the Administrator, workers under the program may be used in the packing, canning, freezing, drying, or other processing of perishable or seasonable agricultural products." The War Manpower Commission retains the primary responsibility for recruitment and placement of workers for processors, including canners, of agricultural products.

The use of transported agricultural workers in the processing of perishable or seasonable agricultural products will be authorized by WFA only for temporary periods and then under only the following conditions:

1. That the workers are already in the area where the need exists.

2. That WMC has certified such workers are needed to save substantial quantities of war-essential food which would be lost if such workers were not made available, and

3. That the State Extension Service has made a statement certifying that such workers can be released for use in processing perishables without seriously interfering with agricultural production.

Processors employing such workers will be required to comply with the terms prescribed by the Director of Labor. Processors employing such workers will be required to sign contracts covering the period of use. The contracts are substantially the same which an agricultural employer signs.

Processors will be required to pay the wages prevailing locally for similar work in this industry.

Certifications for the temporary use of such workers in processing will be approved only upon submission of the certification to the Director of Labor, Washington, D. C., except in three-day emergencies, which will be handled as prescribed below.

**Procedure for Certification. Three-Day Emergencies**

Certification of Need by War Manpower Commission. *The local U. S. Employment Service manager will certify to the appropriate county agent that transported interstate and/or foreign agricultural workers are needed for a period not exceeding three days to save substantial quantities of war-essential foodstuffs from serious loss or spoilage. The certification will specify:* the firm, jobs, number of workers, wages and working conditions; that needed workers cannot be secured within 200 miles; that the USES cannot fill jobs because of (a) employer discrimination, (b) unreasonable requirements as to age, sex, etc., (c) wage rates are below NWLB rates; that jobs to be filled are not due to labor dispute; that the employer will sign suitable contracts, and provide housing arrangements.

The county agent in the county where workers are employed will review the agricultural employment situation in the county. If it is determined that workers can be released without seriously curtailing the production and harvest of agricultural commodities he shall contact the agricultural employer of the workers. If the employer agrees to such release the county agent will submit the certification of need by telephone or telegraph to the State Extension Director for approval. If approved, the county agent will be so advised and the procedure for transfer of workers will be followed. The State Extension Director may delegate in advance to the county agent authority to approve the transfer of such workers.

If it develops that workers are needed beyond three days, authorization must be secured from the Director of Labor, Washington, D. C.

If the temporary need for such workers in food processing is to be longer than three days, then the State Director of USES makes similar certification to the State Director of Agricultural Extension, who in turn makes a statement of availability. Both of these documents go to the Office of Labor, War Food Administration, Washington, for decision.

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## OPA PRESENTS SURVEY OF FRUIT, VEGETABLE CANNING

### Charts Depicting Profit Picture of Industry Made Available

At the meeting last week in Washington of the Board of Directors of the National Canners Association the Office of Price Administration presented the most complete and exhaustive study ever made by the OPA for any industry. Jean Carroll, Director of Food Price Division, explained that in order to get as normal a picture of the industry's operation as possible the study, in profit charts, covers the years 1940 and 1941 before price controls affected this field. The years 1940-41 were used instead of the years 1936-39—those customarily employed by OPA, because the earlier period was one of unusual depression for the canning industry.

Volume production figures in the charts were for the calendar year 1943. "The knowledge gained in compiling the survey," Mr. Carroll said, "places OPA in a better position to write fair and intelligent regulations covering the pricing of the coming 1944 pack of fruits and vegetables."

N.C.A. directors requested the release of portions of the study which do not reveal the position of individual firms. Charts presenting this information will be reproduced by the Association and distributed to the industry.

Following is the OPA statement describing the profit survey:

Information used in preparing survey was obtained from the industry by means of questionnaire cards sent out to a complete list of all canners of fruit and vegetables. 1,499 questionnaires were returned to OPA representing a fair coverage of the industry. From these companies a representative sample of 246 were selected and accountants were sent in by OPA to make cost and profit studies.

I. *Production*—Covered in first part of study from returned questionnaires.

(1) By volume of operation in cases produced. (4 groups)
(2) By geographic areas. (4 areas)
(3) By one plant, multiple plant operations.
(4) Companies canning fruit and vegetables only, those having other operations.

These classifications were then coupled to obtain a more complete picture:

(1) Size group and geographic areas.
(2) Volume of pack, size groups, geographic areas.
(3) One plant, multiple plant, geographic areas.
(4) Volume of pack, canners of fruit and vegetables only, those having other operations.

Charts of these classification breakdowns with production figures for 1943 are available upon request from OPA Food Price Division.

II. *Profit picture* analyzed in second part of study. Of the 246 firms in the sample 176 reported profits for both 1940, 1941. OPA used in computing the base profit only the profits of companies which sell nothing except canned fruits and vegetables. There were 108 of these companies. This procedure follows the OPA policy of basing profit analyses upon companies which sell only the products being priced wherever such a procedure is possible.

Several interesting facts were disclosed by the results of the survey. A wide range of differences was shown in net profit to net sales of fruit and vegetable canning operations throughout the country. Profit figures showed a range of from 9 per cent loss to 24 per cent profit with an overall average of 6.9 per cent profit for the industry. These figures were based upon 1940-41 weighted average.

It was interesting to see that geographic areas made a sizable difference in the yearly profit picture. For example, operators in southern areas showed much smaller percentage of profit than those in the West Coast area and Middle West and Eastern companies were ahead of the West Coast canners. Leading the industry with the highest yearly net profit average were the Mountain States.

Canners in all areas selling only canned fruit and vegetables showed higher profit averages than those selling additional products. Charts on the above profit study with overall percentage figures are now being reproduced and will be available upon request from the Price Division of OPA.

*Study will be guide to OPA in setting ceiling prices on '44 pack.* To the selling prices reported by the industry for the first 60 days from start of the 1941 pack OPA will add a stated cents per dozen increase representing what their study shows as an increase in cost between 1941 and 1944, adjusted and corrected to substitute the weighted average of 1940-41 profit for the 1941 profit. (1941 to 1943 actual costs; 1944 estimated.)

OPA explained further that the base rate of profit applied to sales volume at 1941 prices. The dollar volume profit of the average of 1940-1941 will be maintained in 1944 if production is at the same level as in 1941. If the production is increased, the dollar volume of profit will be increased correspondingly. This will be true for individual firms as well as for the industry as a whole.

## GRAPEFRUIT JUICE PRICES ON GOVERNMENT SALES

### Order No. 4 to MPR 509 Designates April Reductions, Supplementing Previous Adjustments

Price reductions to be made by processors on government sales of grapefruit juice packed during April, 1944, were announced by the Office of Price Administration, in issuing Order No. 4 under Maximum Price Regulation No. 509, which became effective May 29. The price reductions for the October 1, 1943, to January 31, 1944, period were specified in Order No. 1 to MPR 509, those for February in Order No. 2, and those for March in Order No. 3, which appeared in the INFORMATION LETTERS for March 18, March 25, and April 22, respectively.

The amount of these reductions, in cents per dozen cans, must be subtracted from the maximum prices announced February 4, 1944, for processor sales to the Government. These appeared in the February 5 LETTER and included a maximum raw fruit cost increase for the 1944 crop over the 1943 crop.

Text of Order 4 to MPR 509 follows:

For the reasons set forth in an opinion issued simultaneously herewith, and in accordance with section 2.1 (c) of Maximum Price Regulation 509, *It is ordered:*

(a) For grapefruit juice packed during the month of April 1944, processors shall reduce the named maximum prices for government sales as listed in section 2.1 (a) of Maximum Price Regulation No. 509 by the amounts set forth below respectively for the period of pack, State or area, and container size. The resulting figures shall be the processors' maximum prices for grapefruit juice packed during April 1944, for sales to government procurement agencies. For the purpose of applying the monthly area grapefruit juice cost reduction, the States of Florida and Texas shall be treated as two separate areas.

(b) Reduction per dozen containers:

| State or area | Style of pack | Grade | Period of pack | Reduce maximum price named in section 2.1 (a) for government sales per dozen containers by amounts set forth below: No. 2 can | No. 3 cylinder can | No. 10 can |
|---|---|---|---|---|---|---|
| Florida | All | All | April 1944 | None | None | None. |
| Texas | All | All | April 1944 | None | None | None. |
| California and Arizona | All | All | April 1944 | $.0350 | $.1375 | $.2015. |

## Shrimp Ceilings Increased

An increase of 55 cents per dozen cans in canners' ceiling prices for jumbo shrimp, and 10 cents per dozen cans in the ceilings for large shrimp were announced June 2 by the Office of Price Administration, in issuing Amendment No. 1 to Maximum Price Regulation No. 311, which became effective on June 1.

The increases were provided, OPA stated, after a substantial part of the shrimp canning industry had presented data showing inability to pack these two grades of shrimp at present ceilings without an actual loss. This has resulted in a decrease in canning and a consequent diversion into fresh and frozen markets, it was stated. The new prices, OPA said, will make possible a normal distribution of shrimp between canned, frozen, fresh sales.

At the same time, OPA extended the coverage of the regulation on canned shrimp to include all shrimp or prawn wherever caught. Formerly, only shrimp caught in waters in the southeastern part of the United States were priced under the regulation.

Amendment No. 1 to MPR No. 311 also includes a more specific definition of the various grades of shrimp in terms of the number per ounce. These definitions are in line with criteria used by inspectors of the Food and Drug Administration in approving the labeling of canned shrimp, and are well established in the industry, OPA stated.

## Death of Jack Paris

J. T. Paris, assistant sales manager of the Heekin Can Company, died at Cincinnati, Ohio, May 18, and was buried at his former home in Fayetteville, Arkansas. From June, 1933, to December, 1938, Mr. Paris had been assistant secretary and traffic manager of the Ozark Canners Association.

## RATION POINT VALUES ESTABLISHED FOR JUNE

### Canned Carrots and Citrus Juices are Reduced to Zero; Pineapple Juice Up 3 Points

Only six changes in the point values of processed foods have been made for the June rationing period, the Office of Price Administration said June 1. The new point values will be effective June 4 through July 1.

Reduced to zero are canned carrots, orange juice, orange-grapefruit juice and grapefruit juice.

Grape juice was increased four points for the pint container, the new value for this size being 10 points. Pineapple juice was advanced three points from 12 to 15 for the No. 2 can.

These are the only changes in the processed foods rationing picture. Point values of canned fruits, special products and spreads, and other processed foods are unchanged.

The changes, OPA's reasons for each, and new point values follow:

*Carrots*, No. 2 can, reduced 3, new value zero. With other major vegetables such as peas, tomatoes, corn and green or wax beans at zero, the movement of carrots slowed down considerably. There were no indications of a similar slow down on the other canned vegetables remaining at a point value above zero.

*Orange juice*, No. 2 can, reduced 3, new value zero. Prospects are for a much larger supply this season than was originally expected. Citrus blooms were heavier and earlier this year than last and the new pack is expected to be about a month earlier. The supply of these juices now on hand should be sufficient to last until new supplies are available. The same situation exists with respect to orange-grapefruit juice blended, and grapefruit juice.

*Orange-Grapefruit blended*, No. 2 can, reduced 3, new value zero.

*Grapefruit juice*, No. 2 can reduced one, new value zero.

*Grape juice*, pint container, increased 4, new value 10 points. Movement has been ahead of schedule, and in the season just ahead, the product is normally in greater demand.

*Pineapple juice*, No. 2 can, increased 3, new value 15 points. There is a very short supply and movement has been too rapid. During 1943, civilians had 6,700,000 cases. In the year ahead this supply will be reduced to approximately 2½ million cases.

| | Point values Old | New |
|---|---|---|
| Carrots (No. 2 can) | 3 | 0 |
| Orange juice (No. 2 can) | 3 | 0 |
| Orange-grapefruit juice blended (No. 2 can) | 3 | 0 |
| Grapefruit juice (No. 2 can) | 1 | 0 |
| Grape juice (pint container) | 6 | 10 |
| Pineapple juice (No. 2 can) | 12 | 15 |

## WFA Buying Canadian Herring

The Office of Distribution of the War Food Administration announces that it will receive offers for the sale of salted, smoked and pickled herring from Canadian processors, beginning immediately.

## Shipping Case Quotas Unchanged

The revised Fibre Shipping Container Order L-317, issued by the War Production Board May 29, does not change the shipping container quotas for foods which were established in the March 23 amendment of the order.

## Senate Banking and Currency Committee Makes Report on Price Control Act; Recommends Extension with Some Changes

The Senate Banking and Currency Committee on May 30 issued its Committee Report recommending the extension of the Emergency Price Control Act until December 31, 1945. The Committee recommended only a few amendments and stated that it had rejected, after careful consideration, most of the amendments suggested in order not to cause disrupting changes in the current stabilization program. The Committee declared that its recommended amendments would aid in removing grounds for complaints against the administration of the program without hindering its operation.

The Committee announced its belief that the stabilization program and the legislation on which it is based has worked well. The program, it is asserted, has brought about a "remarkable degree of stability without undue injury to any group." Any change of the program or any relaxation will allow new inflationary forces to operate which probably could not be controlled, the Committee said. Although the Committee stated that the stabilization program included policies which many persons disliked, the Committee said the program "is accomplishing its primary objective and it is now closely interwoven with every phase of our economic life * * * On the whole, it appears to the Committee that the policies which are now being followed provide as equitable a relationship between the different groups in our economy as it is practicable to attain."

Canners will be particularly interested in the proposed amendments relating to subsidies and protests of Office of Price Administration decisions. The Committee proposes an amendment which would prohibit OPA, RFC and any other government corporation from making subsidy payments unless the money for the subsidies has been specifically appropriated by Congress for that purpose. This prohibition, however, would not become effective until June 30, 1945. Thus the proposed amendment would leave in effect for the current fiscal year the announced subsidy program. In addition, the amendment does not prohibit subsidies but would only place a curb upon subsidy programs by requiring a specific appropriation for them.

The Committee expressed its belief that "a program which involves a known loss of $1,500,000,000 a year should not be continued out of corporation funds without definite authority from and appropriation by Congress."

The protest procedure for challenging OPA decisions and regulations has been slightly modified by the Committee proposals. The Committee refused to eliminate the present requirement that protests be filed within 60 days of issuance of a regulation. The Committee also has refused to place a specific time limit within which the Price Administrator must make a final decision or to modify the exclusive jurisdiction of the Emergency Court of Appeals. These proposed changes as well as others relating to appeals were rejected by the Committee on the grounds that they would hamstring the enforcement of the price stabilization program.

The Committee amendment would, however, allow anybody to file a protest to a regulation within 60 days after the date of extension of the Price Act. This provision is inserted because of the Committee's belief that in the early days of price regulation many persons, through unfamiliarity with the new regulations, might have lost their opportunity to protest a particular regulation. Consequently, for 60 days, the Committee would open the door to everyone to file protests. Thereafter, the present 60-day limitation would continue in effect.

The Committee also proposes that upon request of any protestant any protest filed after September 1, 1944, shall be considered by a Board of Review composed of OPA employees. This Board would be required to hear oral argument by the protestant and to receive written evidence in support of the protest. The Board then would be required to inform the protestant of its recommendations. If the Price Administrator rejects the recommendations, he also would be reqquired to inform the protestant of his reasons for doing so. It should be noted that the proposed Board review procedure would not apply to protests filed within the 60-day period immediately following the date of extension of the Act, which presumably will be June 30, 1944.

As a compromise of the various objections raised to the present prohibition against trying the validity of a price regulation in a criminal case, the Committee proposes to continue the requirement that the validity of a regulation can not be challenged in any court other than the Emergency Court of Appeals. However, in a criminal proceeding, the Committee proposes to allow the criminal case to proceed to a final decision. Then, the defendant in the criminal case may ask for a stay of the criminal judgment in order to file a petition in the Emergency Court challenging the validity of the regulation. If a protest challenging the validity of a regulation has already been filed with the Emergency Court a stay of the criminal judgment may also be obtained pending the decision of the Emergency Court.

A particularly interesting amendment is one referring to "agricultural commodities." This amendment would prohibit any government agency and government employee from imposing conditions and penalties in buying or contracting to buy agricultural commodities, or in making payments of money for production and sale of agricultural commodities, or in allocating materials or in fixing quotas for production or sale of agricultural commodities *if* the conditions or penalties are *not* authorized by the statute or valid regulations under which the purchase, payment, allocation or quota is made. If a person believes that unauthorized conditions or penalties have been imposed, he may sue in the Federal district court for a decision determining the validity of the condition or penalty. If they are held to be unauthorized, the court can give whatever relief is necessary.

This proposed amendment may directly affect canners. "Agricultural commodities" by definition include "agricultural products" which embrace canned fruits and vegetables. The purpose of the amendment is, according to the Committee, to prohibit "instances of flagrant misuse of authority for the imposition of conditions or penalties totally unrelated to the purposes for which the authority was granted." The Committee gave as an example withholding from a farmer his supplemental gasoline ration because of his failure to join a program of WFA.

The Committee also proposes an amendment to authorize the Price Administrator to purchase commodities in order to obtain information or evidence of pricing violations. This amendment is designed to aid enforcement.

Other amendments were proposed by the Committee which do not particularly affect canners. As a matter of interest, however, the so-called Bankhead amendment, about which there is substantial controversy, was recommended by the Committee. This amendment would require maximum prices for cotton textiles to reflect the cost of the cotton yarn, the cost of delivery, the total manufacturing costs, and a reasonable profit on the manufacturing of the textiles. This amendment was not unanimously recommended by the Committee.

## Ceilings for Superphosphate

Maximum prices for ordinary and triple superphosphate produced in the East for sale to farmers in the West were announced May 29 by the Office of Price Administration, through the issuance of Amendment No. 2 to Second Revised Maximum Price Regulation No. 135.

This action, which became effective June 1, 1944, establishes a practical basis for the movement of these fertilizers into areas of temporary shortage from points where production exceeds current requirements, OPA said.

The measure will permit western farmers to pay a higher price for the eastern superphosphate than they may pay for superphosphate produced in the West. The difference, for deliveries into the vegetable producing areas of the Imperial Valley, where shortages are most acute, amounts to about $7.60 per ton for 20 per cent superphosphate and about $3 per ton for 47 per cent superphosphate, over going western prices for these products.

The actual difference in freight from eastern points as compared with freight from western points to the consuming areas in the West, is much greater than the difference in price, according to OPA.

## Labor Recruiting Folder

The War Manpower Commission has printed a small four-page folder for use in recruiting cannery labor. This folder is suitable for mailing and other general distribution such as at meetings, in stores, house to house, etc.

Copies for use by canners and by them jointly with the United States Employment Services are available through local representatives of USES.

## 1943 Pumpkin and Squash Pack

The pumpkin and squash pack for 1943 amounted to 1,452,403 actual cases, according to figures compiled by the Association's Division of Statistics. This compares with 1,528,640 cases packed in 1942. The following table presents the detail of the 1943 pack by States and can sizes:

| States | No. 2 | No. 2½ | No. 10 | Misc. tin and glass | Total |
|---|---|---|---|---|---|
| | *Cases* | *Cases* | *Cases* | *Cases* | *Cases* |
| New Jersey | ..... | 22,828 | 341 | ..... | 23,169 |
| Ohio | 11,251 | 100,740 | 2,800 | 815 | 115,605 |
| Indiana | ..... | 570,833 | 15,046 | 1,871 | 587,750 |
| Illinois | 251 | 137,141 | 42,383 | 19,773 | 199,548 |
| Iowa and Nebraska | ..... | 23,405 | ..... | ..... | 23,405 |
| Oregon and Washington | ..... | 110,132 | 7,807 | 13,697 | 131,636 |
| Other States | 7,397 | 307,075 | 52,929 | 3,888 | 371,289 |
| Total | 18,899 | 1,272,154 | 121,306 | 40,044 | 1,452,403 |

## N. C. A. Asks Exemption from Renegotiation

The National Canners Association filed a petition on May 31 with the War Contracts Price Adjustment Board requesting exemption of canned fruits and vegetables from renegotiation. The exemption was sought for all canned fruits and vegetables packed in 1943 and 1944 on the grounds that these products are standard commercial articles produced under competitive conditions which protect the Government from paying excessive prices. Exemption was also requested on the grounds that the profits under a contract could be determined at the time when the contract price was negotiated.

## Haxton Gives Radio Address

President G. Sherwin Haxton of the National Canners Association gave an address on June 3 over the NBC Network, broadcasting from Omaha, Nebraska. Notice of Mr. Haxton's radio appearance, which was a part of the program "Your America," sponsored by the Union Pacific Railroad and devoted to the canning industry, was mailed by the Association to all canners.

## Glass Quota for Gooseberries

Gooseberries may be packed in glass containers under the same regulations which apply to blackberries, black raspberries, blueberries or huckleberries, red raspberries, boysenberries, loganberries and youngberries when packed as berries, the War Production Board said May 30, in announcing Direction No. 1 to Glass Containers and Closures Supplementary Order L-103-b. This states that gooseberries may be packed under Item 6 in Schedule I of the order, which permits unlimited use of glass containers and tinplate closures.

## CANNED FISH FLAKES

### Regulation Establishes Dollars and Cents Maximum Price Ceilings

In a move designed to restore production of fish flakes after an interval of more than a year in which none has been canned, the Office of Price Administration on May 30 established canners' dollars-and-cents per case maximum prices for this commodity at levels above those of March, 1942.

The new ceiling prices, established in Maximum Price Regulation No. 537—Sales by Canners of Fish Flakes—effective June 5, 1944, reflect the increased costs of raw material, OPA said, explaining that the dollars-and-cents margin for processing and distribution had been kept at the March, 1942, level. The agency added that the price increases were necessary to meet the minimum requirements of the Emergency Price Control Act of 1942, as amended.

In the past, a great deal of the fish flakes pack has gone to the armed forces. This, together with war shortages of certain other foods, made it desirable to take pricing action designed to restore production. The packers had, until July of last year, faced a situation in which, while their prices were "frozen," fresh fish prices were soaring. (Fresh fish prices were brought under control in July, 1943, at levels which represented sharp reductions under going prices, but were somewhat above, on most species, prices for early 1942.)

MPR 537 establishes 18 specific maximum prices for as many pack sizes and varieties. These include flakes from hake, pollock and flounder. These last previously were not packed, but government procurement agencies now desire to obtain them.

The regulation contains a provision making it mandatory for processors to notify wholesalers and retailers of the price increases so that the wholesalers and retailers can legally refigure their own maximum prices under their fixed mark-ups.

The governing section of MPR No. 537 follows:

ARTICLE I—MAXIMUM CANNERS' PRICES, PROHIBITION AND SCOPE OF REGULATION

SECTION 1. *Maximum canners' prices for fish flakes.* (a) The prices set forth below are maximum prices f. o. b. the shipping point nearest the canner's warehouse. The maximum prices are gross prices and the seller shall deduct therefrom his customary allowances, discounts, and differentials to purchasers of different classes.

CANNED FISH FLAKES

| Description | | Maximum price per case of 24 cans |
|---|---|---|
| Container size | Variety | |
| No. 300 x 407 | Canned haddock fish flakes | $8.40 |
| No. 307 x 409 | ....do | 9.60 |
| No. 307 x 409 | ....do | 10.70 |
| No. 300 x 407 | Canned codfish flakes | 8.00 |
| No. 307 x 409 | ....do | 9.10 |
| No. 307 x 409 | ....do | 10.05 |
| No. 300 x 407 | Canned pollock fish flakes | 6.00 |
| No. 307 x 409 | ....do | 6.40 |
| No. 307 x 409 | ....do | 7.10 |
| No. 300 x 407 | Canned hake fish flakes | 6.00 |
| No. 307 x 409 | ....do | 6.40 |
| No. 307 x 409 | ....do | 7.10 |
| No. 300 x 407 | Canned flounder fish flakes | 6.90 |
| No. 307 x 409 | ....do | 7.70 |
| No. 307 x 409 | ....do | 8.70 |
| No. 300 x 407 | Canned haddock and codfish flakes | 8.20 |
| No. 307 x 409 | ....do | 9.30 |
| No. 307 x 409 | ....do | 10.40 |

(b) For container sizes, styles of pack or species of canned fish flakes not listed in paragraph (a) the maximum price shall be the price determined by the Office of Price Administration to be in line with the prices listed in paragraph (a). Such determination shall be made upon written request, addressed to the Office of Price Administration, Washington, D. C., and accompanied by sworn statements showing costs and usual differentials.

(c) With the first delivery after June 4, 1944, of any item of canned fish flakes, in any case where a maximum price is determined pursuant to this regulation, the canner determining his maximum price shall supply each wholesalers and retailer who purchases from him with the following written notice:

NOTICE TO WHOLESALERS AND RETAILERS

Our OPA ceiling price for (describe item) has been changed under the provisions of Maximum Price Regulation No. 537. We are authorized to inform you that if you are a wholesaler or retailer pricing this item under Maximum Price Regulation No. 421, 422 or 423, and if we are your customary type of supplier, you must refigure your ceiling price for the item in accordance with the applicable pricing provisions of those regulations (see Section 6 in each case). You must refigure your ceiling price on the first delivery of this item to you on and after June 5, 1944.

For a period of 90 days after June 4, 1944, and with the first shipment after the 90-day period to each person who has not made a purchase within that time, the processor shall include in each box, carton or case containing the item the written notice set forth before.

(d) The maximum price for sales of canned fish flakes to any procurement agency of the Armed Forces, the War Food Administration and any procurement agency thereof, the War Shipping Administration, and the Veterans' Administration shall be 97½ per cent of the price established in paragraph (a) of this section; from the price thus computed there shall be deducted a cash discount of 1½ per cent if payment is made within 10 days of receipt by the designated office of the government procurement agency of a properly authenticated claim.

## PERMANENT ASSOCIATION PLANNING COMMITTEE IS NAMED

(Concluded from page 8243)

creasing the hazard of perforation. Thus the decision that the cans should be marked with a permanent type ink. Unfortunately, in far too many cases, unlabeled cans are not properly marked to identify contents and this is one feature of the program which will be carefully watched this year.

"The importance of stenciling required information on the case cannot be stressed too much. We have had complete cooperation from the agencies in confining the information to be stenciled on the case to the absolute minimum. Properly stenciled cases, nevertheless, are the exception rather than the rule, and in some instances it has been necessary to re-stencil cases at filler depots or at ports of embarkation, a costly and time-consuming method which may actually delay shipment of merchandise."

Brig. General Hardigg told the Directors that the government reservations had been worked out very carefully and that, with the revisions just announced (see last week's LETTER), are expected to stand for this season. He also emphasized the importance of the packaging requirements, pointing out that there is no use in doing a good production job and then failing to package the goods in such way as to ensure their delivery in proper shape. He expressed satisfaction with the pro-coating program, and assured the canners that, while it may involve some difficulties for them, the Government would not have gone to the expense of pro-coating had it not been deemed essential. General Hardigg congratulated the industry on the zeal and resourcefulness it had shown in meeting the Government's needs in past years, and said he felt confident that the industry would again do the job asked of it.

Discussion following these addresses developed, among other things, the difficulties now encountered by canners in obtaining supplies of V-boxes, and assurance was given that the Office of the Quartermaster General will cooperate in every way to assist the canner.

Col. Urwiller, in his talk, stated that around 100,000 prisoners of war are available for employment. Requests for such labor call for 149,000, with an additional 78,000 for the peak season. In the service commands east of Minnesota and north of the Mason and Dixon line approximately 49,000 war prisoners are available, from two-thirds to three-fourths of whom can be used. This means about 35,000 will be available for canning plants. Col. Urwiller explained the procedure for obtaining war prisoner labor and the requirements as to housing, etc., emphasizing the desirability of advance planning and answering questions as to details of the regulation.

Col. Urwiller also pointed out that the Army desires and is prepared to enter into contracts which will give prisoners incentive payments for performance of a stipulated number of work units. The Provost Marshal's Office is confident better and more work will be done under an incentive plan than not. All Service Area Commanders have received Prisoner of War Bulletin No. 29 on this subject.

Mr. Hill stated that about 75,000 Mexicans, 20,000 Jamaicans, 6,000 Bahamans, 900 Barbadians and 2,000 New Foundlanders are being transplanted to the United States for farm work. The extent to which such labor can be employed by canners is limited, and WFA is sending to the Extension and Employment Service agencies regulations governing the use of imported labor in processing plants. Among conditions included in these regulations are that the foreign workers must be available in the area where needed and that they can be employed more usefully in the canning plant than in the field. The most important part of Mr. Hill's announcement is the regulation which permits foreign workers recruited under the farm labor program to be used in canning plants for a 3-day emergency period upon local authorization of the County Agent and the United States Employment Services office.

**Members of Planning Committee**

Howard T. Cumming, Rochester, New York, Chairman.
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Robert Baker, Dundas, Wisconsin.
Herbert J. Barnes, Kaysville, Utah.
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## EXPANSION IN PRODUCTION OF AUSTRALIAN CANNED FOODS

By Major Bedford L. Seabrook, U. S. Quartermaster Corps

Generally the impression gained by American soldiers in Australia is that the main diet of the Australian consists of meat, bread and butter, potatoes, boiled cabbage and jams. Consumption of canned foods, prior to the war, was small except for canned jams and some meats. Of vegetables less than 10,000 cases, principally tomatoes, were packed annually, from an approximate 350,000 acreage. At that time the chief products canned were asparagus, beet root, carrots, tomatoes, peaches, pears, apricots, plums, some apples, jams made from these fruits, corned beef and corned mutton.

The war has brought about an enormous increase in both acreage and processing volume of these products, as well as the introduction of numerous items new to Australian canning. Vegetable canning, for instance, has been extended to include snap beans, cabbage, sweet corn, parsnips, green peas, and silver beet (Swisschard).

Other forms of processing have supplemented this increase in canning. Dehydration of potatoes, onions, beets, cabbage and turnips is taking place on a constantly augmented scale. A small quick-freezing plant has been established and plans are underway for additional freezing facilities. The frozen foods output is to be consumed entirely by the military forces. In fact, the majority of the products emanating from the expanded canning and dehydrating volume of Australia are being used by American troops.

How much further this expansion will go during the war is dependent principally upon the ability of Australian agriculture to produce raw materials, and this in turn hinges largely on the acquisition of machinery to take the place of about 40 per cent of the rural manpower that has been absorbed into the armed forces and the munitions industries. If this situation is remedied there is the possibility of a further increase in the canning of vegetable products. Likewise in fruit and meat canning, expansion during the war will depend on the installation of labor-saving machinery for raw product operations and the installation of suitable machinery in the factories.

As to expansion of canned foods production in Australia following the war, a great deal will depend upon the degree of acceptance of these products by the Australian people. The potentialities for a considerable increase in production are there, but acceptance, and thus, quality, will be the controlling factor. There is at present little basis for predicting whether the Australian output will figure competitively in foreign markets after the war.

Referring back to the standard Australian diet mentioned at the beginning of this statement, it will be seen that a large domestic Australian market will be contingent on a rather drastic change in the dietary habits of the people. Unless it is for export, there probably will not be any great increase in meat canning after the war. Whatever expansion occurs should be expected first in the field of canned vegetables, and second, in fruit and dairy products.

To bring about such expansion a number of problems must be met. One of these is the establishment of irrigation systems, required because of uncertain rainfall. These are needed even in the coastal areas, where the principal production takes place. Vegetable canning crops are grown in Victoria, in New South Wales, and on the northwest coast of Tasmania. Some also are grown in the southwestern coast of Western Australia, in parts of South Australia adjacent to Adelaide, and in the southeastern part of Queensland.

In addition to agricultural problems, one of the essential phases of canned foods expansion in Australia is the establishment of several points of container manufacture in the canning areas. This would eliminate the present dependency on transportation, which has created difficulties because of the fact that each state of the Commonwealth operates its individual railroad system with its own width of gauge. The rolling stock being noninterchangeable, transport of containers is difficult, except for transportation by boat around the coast line. Can manufacturers are obliged to ship containers from their plants to all parts of the Commonwealth, and, as a result, most Australian canners operate their own can-making units. Location of several can-making plants at strategic points throughout the country would facilitate the expansion of Australian canned food production. Only one can manufacturer, at present, offers technological service comparable to that furnished by similar firms in the United States.

Retort experience of Australian canners has been had largely in the field of fruits and meats, and accordingly, vegetable handling knowledge and practice is needed to accompany any possible expansion. At present there is a scarcity of specialized vegetable preparation equipment, labor-saving conveyors, and other automatic aids to production.

A further development of the scientific services, such as are available to the industry in this country, will have great bearing on any Australian expansion. Two agencies have been conducting research investigations in some phases of the work, have studied the application of scientific services in America, and have assisted in technological problems. A necessary adjunct to augmented production in Australia will be a further development of such services.

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Editor's Note—Major Bedford L. Seabrook is attached to the Service of Supplies in the Southwest Pacific Area, U. S. A. Forces in Far East. His activities are under the direction of the Headquarters Procurement Division. The two functions of the Procurement Division are: (1) to act in an advisory capacity to the Commonwealth Government of Australia in its program of increasing and obtaining production of food products from both the agricultural and processing standpoint; and (2) procurement of such foods for U. S. military forces.

Prior to his Army service, Major Seabrook was with Seabrook Farms, Deerfield Packing Co., Bridgeton, N. J.

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## Farm Machinery Distribution Order for 1944-45 Issued

The War Food Administration has issued a temporary order applying to distribution of farm machinery and equipment to be produced in the new machinery production year, which begins July 1, 1944.

The farm machinery distribution order, until amended, applied only to machinery and equipment produced under authorizations for the current production year.

The temporary order (Amendment 2 to Supplementary Order 1, War Food Order 14—formerly FPO 14) provides principally that:

1. Each manufacturer is authorized to distribute up to 70 per cent of his scheduled production of Schedule I and II items—those for which there are both State and county quotas or State quotas—and 100 per cent of Schedule III items.

2. When any manufacturer has transferred 50 per cent of his scheduled production of Schedule I and II items, he shall notify WFA so that timely releases of additional quantities may be authorized.

3. A limit is placed on the amount of equipment which manufacturers may transfer into any single county without approval of the State AAA Committee.

The War Production Board announced February 3, 1944, that the volume of production authorized for the year beginning July 1, 1944, will be approximately the same as for the current year.

## Greater Output Expected from Community Canning Centers

Approximately 5,000 community canning centers—the same number as last year—are expected to operate this year with increased output, the War Food Administration reported June 2.

The great need for community canning centers this year is in urban communities, WFA said. Better trained supervisors and more equipment point to a larger, more successful pack of food in community canneries in 1944, according to WFA.

Work shops for training canning center supervisors, who will, in turn, train patrons, are being held in practically every State, WFA reported.

WFA said most community centers can only in tin, and all are outfitted with pressure equipment for processing corn, peas, beans, and other low-acid vegetables. These, according to WFA, are the source of the largest amount and most serious spoilage in home-processed foods.

WFA reported that it expects that facilities will be enlarged and further developed in communities where canning centers operated last year. Instances include suburban Chicago and the Detroit area. California, which operated no community canning centers last year under the Federal vocational training program, has established 65 canning centers this year, WFA reported. There also are new centers in Oregon and Washington, and in the last two months several small industries in the South have requested community canning facilities, particularly where plants have set aside gardening plots for employees.

The School Lunch and Community Food Preservation Division of WFA furnishes technical assistance to communities planning canneries. The division also advises on types of equipment, approves priorities for equipment, and gives counsel on other details.

The Office of Education, Federal Security Agency, in cooperation with State boards for vocational education, provides training centers in rural vocational schools, funds for establishing and operating training centers, and pays for supervisors, instructors, and some of the equipment.

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## Dehydrated Vegetable Allocation

United States military and war services, it is expected, will use about 70 per cent of the 1944-45 supply of dehydrated vegetables under War Food Administration allocation for the year beginning July 1, 1944. Slightly more than 246 million pounds of vegetables, it is believed, will be available during that year for allocation among the various claimants—approximately 40 per cent more than in 1943-44. Because this production was expanded primarily to meet war needs and to conserve shipping space, more than 95 per cent of the total allocation will be used by non-civilian claimants. Most of the U. S. civilian supply will go into soups.

Great Britain and Russia will receive 23 per cent of the expected supply, U. S. civilians about 5 per cent, and a reserve for the liberated regions and other exports accounts for about one per cent each.

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## Maintenance, Repair, Operating Supply Regulation Clarified

Rules governing the use of the maintenance, repair and operating supplies (MRO) procedure for obtaining minor capital additions have been clarified by the issuance of an amended interpretation, the War Production Board has announced.

The MRO procedure may be used to obtain materials and equipment for minor capital additions where the cost of such addition does not exceed $500, excluding the purchaser's cost of labor. This is provided for in CMP Regulation No. 5.

Interpretation No. 11, as amended May 22, to CMP Regulation No. 5, points out that all labor costs involved in the manufacture of the material or equipment must be included in figuring the cost of an addition. On the other hand, the cost of labor used in construction or installation of a minor capital addition need not be included in figuring the cost.

The interpretation also points out that this rule applies whether the owner of the plant uses his own employees to do the construction or installation work or hires an independent contractor to supply labor for the construction or installation. It also applies where the owner of the plant gets an independent contractor to furnish the materials and labor for the job, and where the owner of plant buys a machine or other article and has the seller do the work of installation.

The same general rules apply to determining the cost of materials needed for installation or relocation of equipment, where such materials are brought under procedures established in Direction No. 15 to CMP Regulation No. 5. This direction permits acquisition of materials costing $500 or less for the relocation of equipment which a manufacturer has in his plant.

## Wholesaler Regulation Gives New Canned Foods Definition

The Office of Price Administration has issued a revision of Maximum Price Regulation No. 421, the regulation which governs the ceiling prices of certain foods sold at wholesale.

The provision in revised MPR No. 421 that is of chief interest to canners is a new definition of the term "canned" as given in Section 32, Paragraph (b). This definition is as follows:

(10) "Fruits, berries and fruit juices, canned" includes, but is not limited to, apple sauce, apple cider, berry juices, concentrated fruit juices, citrus fruits and juices, cranberry jelly and sauce, fountain fruits, maraschino cherries, fruit nectars, rhubarb, bulk apple cider and pineapple juice. "Canned" means processed and packed in any container, whether or not hermetically sealed. Excluded are apple butter, fruit butters, jams, jellies, fruit preserves, cocoanut, olives, baby foods, dried fruits, dehydrated fruits, fruit cocktail, pineapple (except pineapple juice), peaches, pears, and frozen fruits.

(11) "Fruit cocktail, pineapple, peaches, and pears (canned) except juices" shall include fruit salad. Excluded are frozen fruits. "Canned" means processed and packaged in any container, whether or not hermetically sealed.

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## Fresh Apple Ceilings Continued

Ceiling prices for table-use apples which were in effect during April, May and June, will also apply to any sales of the 1943 crop of apples after July 1, 1944, the Office of Price Administration said May 31.

This action, effective June 5, was taken in Amendment No. 30 to Maximum Price Regulation No. 426, so as to make certain that all apples of the 1943 crop are included under established ceilings, as was originally intended, OPA stated.

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## Browne Awarded Appert Medal

Dr. C. A. Browne, collaborator in the Bureau of Agricultural and Industrial Chemistry, U. S. Department of Agriculture, was awarded the Nicholas Appert Medal at the May 30 meeting of the Institute of Food Technologists. Eligibility for the medal, awarded annually by the Institute, is based on constructive contributions in the field of food technology. Last year the award was made to Dr. Samuel Prescott of the Massachusetts Institute of Technology, and the year before (the first of the annual awards) to Dr. William Cruess of the University of California.

## To Increase Inventory Factor

Assurance that the processed foods wholesale inventory factor will be increased later this year to give wholesalers sufficient point purchasing power to acquire new pack merchandise next fall and winter was given on May 29 by the Office of Price Administration.

With many items at zero point value and others sharply reduced, some wholesalers have expressed concern that their low "base period" transfers would reduce their maximum inventories to dangerously low levels.

The Processed Foods Branch is aware of this situation, it was stated, and the factor for the fall and winter months will be high enough to permit ample purchases of new stocks, OPA said.

It was pointed out that wholesalers do not need a large maximum allowable inventory during the summer because of the relatively low processed food stocks in canners' hands. This, coupled with the fact that fewer points are needed because many items are either zero or at low point value, accounts for the present low factor.

## WMC Promotion for Cruikshank

Appointment of Nelson H. Cruikshank, of Raleigh, N. C., as Assistant Vice Chairman for Labor Relations was announced May 31 by War Manpower Commission Chairman Paul V. McNutt. Mr. Cruikshank, who succeeds Miss Charlotte E. Carr, resigned, will continue to act as executive assistant to the National Management-Labor Policy Committee, a post he has held since he went to WMC in April, 1943.

## Dehydrated Rutabagas, Cabbage, Beets, Removed from Set-Aside

Dehydrators will no longer be required to set-aside their total packs of dehydrated beets, cabbage and rutabagas to meet government war needs, as it now appears these commodities will be in sufficient supply to provide for all essential military, civilian and Lend-lease requirements.

An amendment, effective June 1, to War Food Orders 30 and 30.1 (formerly Food Distribution Order 30, as amended) leaves dehydrated onions as the only vegetable which dehydrators will be required to set-aside for Government purchase during the 1944-45 pack year.

Irish potatoes, sweet potatoes, and carrots were removed from the set-aside restrictions of the order last year.

## Export Sales Provision

Sales made to a so-called agent of a foreign buyer are no longer to be considered as export sales and eligible for an export premium, even though the agent discloses that he takes title on behalf of the foreign buyer, the Office of Price Administration announced May 31 in issuing Amendment No. 7 to the 2nd Revised Maximum Export Price Regulation, effective June 5.

This action revokes the provision in the Maximum Export Price Regulation which defines export sales as including sales to an agent in the United States who discloses that he takes title on behalf of a foreign principal.

OPA pointed out that manufacturers or other legitimate exporters may still secure an export premium when they really sell to a foreign buyer, from whom they receive an order and to whom they invoice, even though the sale is made through the foreign buyer's purchasing agent. Existence of a debtor-creditor relation between foreign buyer and American exporter ordinarily characterizes a true export sale.

## California Tuna Production

With tuna production running nearly 65 per cent better than last year, the pack by California canneries during the first third of 1944 is the largest since the record breaking production of 1940, the Office of the Coordinator of Fisheries reported May 31.

The catch of tuna has been much reduced during the past several years because many of the largest and best vessels of the fleet were requisitioned for war service. Although a few of these vessels have been replaced by new construction, the fleet is still below the size necessary to build up the catch to the prewar level.

Summarizing current production, the Coordinator's Office reported that a total of 509,002 cases had been packed by the end of April, compared with only 293,598 cases at the same time last year. The 1944 pack is the largest since 1940, when 746,806 cases were packed during the first four months of the year.

This year's increase is almost entirely due to larger catches by the purse seine vessels in March and April. By species, the largest increases have been made in the pack of bluefin, yellowfin, and striped tunas, with the bluefin pack more than triple last year's figure, striped nearly double, and yellowfin up about 45 per cent. The pack of bonito and albacore has been smaller than last year, but the heavy catches of these species do not normally begin until later in the year.

## Revised List of Prohibited Construction Materials Issued

A list of construction materials which may not be used in industrial construction, carried on under the provisions of Direction No. 1 to Controlled Materials Plan Regulation No. 6, has been issued in Schedule A (Construction Limitations) to that regulation, the War Production Board announced May 29. Text of Schedule A and Direction 1 appear in May 24 *Federal Register*.

At the same time that this list of materials was published, certain changes were made in Direction No. 1, to make the prohibitions on use of the specified materials and products effective.

Authority to deviate from the restrictions which are contained in the new schedule may be obtained by a person carrying on a construction project at the time he files his construction and facilities application such as Form WPB-617, or such other construction authorization forms as may be provided.

Authorization to carry on industrial construction is granted to applicants on Form GA-1456. In the event WPB grants permission to deviate from the list of restricted materials, contained in Schedule A, a specific notation of such exception will be made on the authorization form itself.

Persons operating under Direction 1 to CMP Reg. 6 are urged to study these construction limitations carefully before applying for authorization to acquire or construct facilities covered by this procedure, WPB said.

The general principles originally established by Direction No. 1 (February 5, 1944) to CMP Regulation No. 6, explaining the industrial construction authorization procedure, remains effective.

## V-Box Inventory Restrictions

Inventory restrictions for new fiberboard shipping containers apply to V-boxes as well as to containers for civilian use, the War Production Board rules in Interpretation No. 2 to Fibre Shipping Containers Order L-317.

The interpretation states that—

1. V-box inventories are controlled by the inventory provisions of L-317.

2. V-boxes are included in Direction No. 1 to order L-317, which prohibits orders for cartons in excess of the box user's probable ability to receive goods within the inventory period.

3. Carton manufacturers share responsibility with carton purchasers for seeing that no V-boxes or other fibre shipping containers are delivered which will cause the recipient to exceed his permitted inventory.

## Purchase Program for 1944 Austrian Winter Pea Seed

The War Food Administration has announced a purchase program for Austrian winter pea seed produced in 1944, thus providing for a regular carry-over of seed to encourage planting during the most desirable season in southern States.

The program offers producers $5 per hundredweight for standard-quality seed and handlers in the producing area $5.40 per hundredweight for seed meeting shipping requirements.

## Canned Milk Statistics

The output of evaporated milk, case goods, shows a sharp seasonal increase in April, compared with March. Estimated at 318,200,000 pounds, the April production was 19 per cent larger than in March, 10 per cent larger than a year earlier, and 27 per cent above the 5-year (1938-42) April average. With the exception of 1942, the April output was the largest of any April of record.

Manufacturers' stocks of evaporated milk, case goods, totaled 180,938,000 pounds on May 1, an increase of 59 per cent compared with a year earlier, and 7 per cent above the 5-year May 1 average. On April 1, stocks were 93 per cent larger than a year earlier, but last year there was a sharp increase in holdings from April 1 to May 1, while this year the increase was more moderate.

Production of condensed milk, case goods, also made a sharp seasonal gain, and the current rate of production is the largest since 1930. The April output is placed at 12,865,000 pounds, an increase of 22 per cent over March, 23 per cent more than in April, 1943, and 147 per cent above the 5-year April average.

Manufacturers' stocks of condensed milk, case goods, totaled 8,430,000 pounds on May 1, compared with 6,739,000 pounds on May 1, 1943, and 5,949,000 pounds—the 5-year May 1 average.

## Increase in Containerboard

Demands for additional supplies of containerboard are in excess of anticipated production in the second quarter but every means is being taken by the War Production Board to increase production and see that distribution of the manufactured board meets military and other essential requirements, R. W. Whitney, of Paperboard Division, stated recently.

## More "A" Award Winners

For outstanding performance in the production of food, the following food processing plants have been given the War Food Administration achievement "A" award:

Blue Mountain Canneries, Inc.—Plants at Dayton and Pomeroy, Washington.

California Packing Corp., Brooklyn, New York.

Fruitland Canning Association, Fruitland, Idaho.

E. Greenebaum Co., New York, New York.

Libby, McNeill & Libby—Plants at Houston, Delaware, and Manzanola, Colorado.

Miller & Hart, Inc., Chicago, Illinois.

Mor-Pak Preserving Corp., Stockton, California.

Richmond-Chase Co.—Plants at Edenvale, San Jose (2 plants), and Stockton.

Rochester Canning Co., Rochester, Indiana.

## Tomato Picking Leaflet

Photographs showing the movements to be used in picking tomatoes easier and faster are contained in Leaflet 258, recently issued by the Purdue Agricultural Experiment Station, Lafayette, Indiana. The Association does not have copies of this leaflet for distribution but they can be obtained by addressing an inquiry to the Station.

## Evaporated Milk Offers Sought

Announcement has been made by the War Food Administration that the Commodity Credit Corporation intends to purchase evaporated milk and that offers for the sale of this product may now be submitted.

Offers submitted pursuant to the announcement, if accepted, will become contracts with CCC.

## Steel Drum Order Amended

To facilitate the placing of orders for steel drums, to clarify further the uses for which new drums are permitted and to assure an equitable drum distribution, a number of changes have been made in Steel Shipping Drum Order, L-197, the War Production Board has reported.

Each order for steel drums will no longer require a specific WPB authorization, but a blanket certification must be filed with the drum manufacturer by the customer.

## Trade Agreement with Iran Made Effective June 28

The reciprocal trade agreement with Iran will enter into force on June 28, according to an announcement made by the Department of State on May 29. On that date the exchange of the President's proclamation and the Iranian instrument of ratification was made.

Article XIV of the agreement provides that the agreement shall enter into force on the thirtieth day following the exchange.

## Burlap Restrictions Eased

Quota restrictions on acceptance of new burlap bags have been eliminated, the War Production Board said May 29. However, inventory restrictions remain unchanged.

In view of the somewhat improved burlap supply from India, and the tight supply of cotton shipping sacks, Textile Bag Order M-221 is amended to permit an increased use of burlap. The list of commodities which may be shipped in new burlap sacks has been extended to include fertilizer, refined sugar, meat tankage.

To assure maximum packing utility for every textile bag, false seams are prohibited. The maker or user may not stitch in an additional seam which permits the bag to be packed at less than full capacity, the WPB said. Permitted bag sizes for certain commodities are specified in M-221.

Users not permitted to use new textile bags under Order M-221 are urged to investigate the possibility of supplying their needs with second-hand bags which, it is reported, are available in adequate quantity.

## Canned Poultry Increase

The quantity, dressed weight, of poultry canned or used in canning has continued at the comparatively high levels previously reported, states the Bureau of Agricultural Economics. During April, 1944, the quantity canned was 37 per cent above the quantity canned during April, 1943. During the next few months, the quantity canned probably will decline seasonally, reaching a low point for the year in July or August, BAE states. The quantity, dressed weight, of poultry canned during the first four months of this year totaled 50,702,000 pounds compared with 38,509,000 pounds during the same period last year—an increase of 32 per cent.